

DIRECTORATE OF INTELLIGENCE

# Central Intelligence Bulletin

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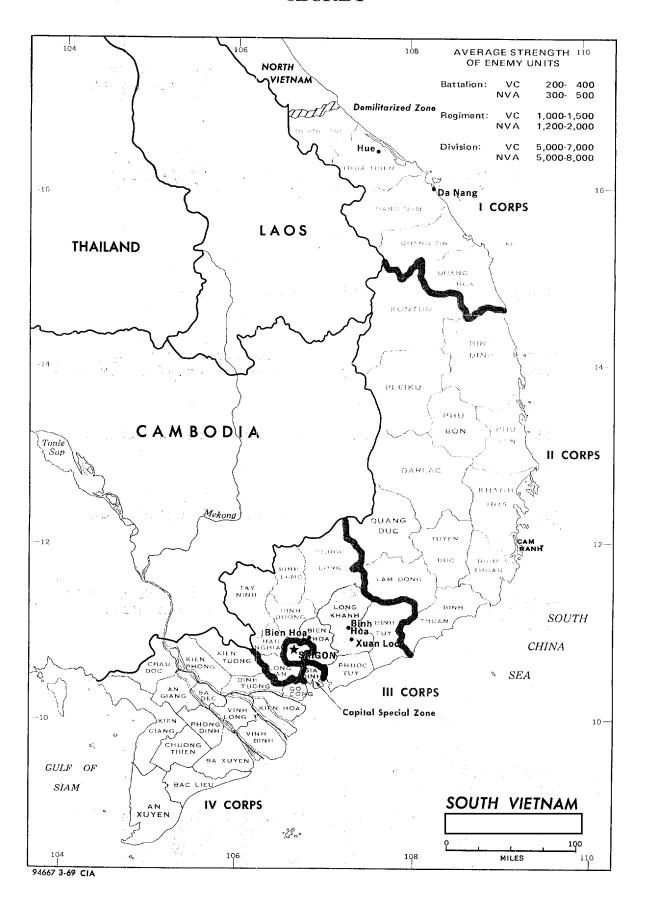
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South Vietnam: The tempo of the Communists' 24-day-old spring offensive eased considerably throughout much of South Vietnam on 18 March. Some sharp fighting continued northeast of Saigon in III Corps, however, and the number of enemy incidents just south of the capital in surrounding Gia Dinh Province was nearly double the daily norm.

Except for one terrorist action, Saigon remained generally quiet on 18 March, as did the major northern cities of Hue and Da Nang. During the pre-dawn hours of 19 March, however, Da Nang was shelled by at least 10 enemy rockets, which killed 11 Vietnamese civilians and wounded 24.

Communist pressure in III Corps continued to center on the provinces of Bien Hoa and Long Khanh. Elements of the Viet Cong 5th Division inflicted losses of 10 killed and 48 wounded on South Vietnamese regulars operating within 15 miles of Bien Hoa city and renewed strong ground attacks against allied positions around Xuan Loc. The division's three-day siege against a South Vietnamese battalion in the village of Binh Hoa just north of Xuan Loc has ended, however, with enemy losses of 117 killed and government losses of 24 killed (11 civilians) and 77 wounded (20 civilians).

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USSR: The outlook has dimmed for an increase in grain production this year.

Intense cold and inadequate snow cover reportedly have heavily damaged a major part of the Soviet winter wheat crop, which generally provides about 40 percent of total wheat production in the USSR. Much of the loss can be made up if the affected areas are reseeded with spring grains and if good weather conditions prevail until the harvest is in next fall.

During the last two decades, major winter-kills have occurred about once every four years, necessitating massive resowings to spring grains. Even if the Soviets are successful in reseeding the damaged areas this year, however, the loss in output may still reach five to eight million tons because spring grains have a lower yield than winter wheat.

Losses of this magnitude still would not force the USSR to import grain on a large scale; current grain stocks for food and animal feed are estimated at about 20 million tons.

Panama: The military government reportedly plans still further outlays for its fledgling air force.

Panama strongman General Omar Torrijos is expanding the national guard's budget by \$500,000 in order to buy and maintain four F-51 aircraft. Torrijos, who last week dramatized his personal control in Panama by assuming the rank of brigadier general, was said to be delighted with the performance of the F-51 during a recent demonstration for his benefit.

Other planes and helicopters already purchased for the air force have placed a considerable burden on government finances, and some of them are beyond the present operational capabilities of the guard.

Torrijos is also reportedly considering new sources of military equipment in case Belgium refuses to deliver arms now on order. Panamanian officials reportedly believe that Belgium, as a NATO member, would respect any disapproval of the deal by the US Government.

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Indonesia: Army leaders recognize that civilian political groups are increasingly resentful of the military's pervasive control, but they are unwilling to make any significant concessions.

Top army leaders, at a conference in Djakarta early this month, considered the army's problems in maintaining its leading role in the face of widespread dissatisfaction. President Suharto, frankly criticized the army's shortcomings, and insisted that abuses must be stopped. Beyond this, however, the conference concentrated on how to retain control despite existing frictions rather than on easing civilian resentment.

In considering the 1971 parliamentary elections and the preservation of the army's predominance thereafter, a special deputy of the army commander said the army hopes to be guaranteed one third of the seats by appointment. It would like to develop sufficient civilian support, however, to ensure control of more than half of parliament.

On regional administration, conference participants recognized the scarcity of civilian governors and the conflict between subordinate military and civilian administrators down through the village level. No one, however, proposed immediate action to reduce the army's role or to gain the active support of influential civilian groups. Rather, in discussing the economic development plan, army commander Panggabean argued that because the present administration rests primarily on the army, improved living standards for the troops should be given priority over those for civilians.

Despite these signs of uneasiness and concern within the army leadership, there is no threat to the military's pre-eminent role. Civilian organizations lack the means to convert their dissatisfaction into political action, and all groups reluctantly agree that, for the time being, there is no effective alternative to army control.

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NOTES

Pakistan: Rumors of impending martial law persist, with army officers talking openly of military planning for such a contingency. Recent strife between extreme leftists and rightists, together with an unprecedented number of strikes throughout the country and increasing violence in rural East Pakistan, have prompted the government to issue a sharp warning that the current trend toward anarchy will not be allowed to continue. In recent weeks, the government has begun moving troops from West to East Pakistan, but army leaders probably recognize the impossibility of controlling an aroused East Pakistani populace by force alone and would step in only as a last resort.

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Venezuela: Guerrilla action west of Caracas on 13 and 15 March may have been a tactical move aimed at both publicity and diversion. Coastal Carabobo State, site of attacks on a defense ministry ammunition depot and an army patrol, is unsuited for sustained guerrilla effort because of its terrain, population, and accessibility to security forces stationed elsewhere in Venezuela. The terrorists may hope to remind the new administration of their trouble-making capabilities and to confuse counterinsurgency efforts against them.

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